

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT REGULAR MEETING

Monday, August 27, 2018
Following the City Regular Meeting
(Begins no earlier than 1:20 p.m.)
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

Approved: September 24, 2018

I. Call to Order

Chairman Nick Khouri called the meeting to order at 1:20 p.m.

II. Roll Call

Members Present – 8

Darrell Burks (via teleconference)
Stacy Fox
Nick Khouri
Ike Mckinnon (via teleconference)
David Nicholson
Iris Taylor (via teleconference)
Nicholai Vitti
John Walsh

Members Absent – 5

Mike Duggan (non-voting)
Brenda Jones (non-voting)
Bill Martin

Let the record show that 8 Commission members eligible to vote were present. 5 participated in person, and 3 participated via teleconference. A quorum was present.

III. Approval of Proposed Minutes from the July 30, 2018 School District Meeting

Motion made to approve the draft minutes of the Commission's July 30, 2018 School District Meeting as presented. Motion moved and supported, the Commission approved the minutes of the July 30, 2018 meeting as presented.

IV. Executive Director's Report - None

Old Business – None

V. New Business

a. DPS Financial Report

Chief Financial Officer Jeremy Vidito presented the Financial Report for DPS and stated that based on actual results through June 2018, DPS recorded a surplus of revenues over expenditures of \$17.4M. Year-to-date local source revenues were ahead of budget by \$3.9M due to better than forecasted tax collections from the City and County. He further

stated that a transfer for \$13.1 million to DPSCD did not occur and will be transferred in FY 2019. As of June 30, 2018, the DPS's cash balance is \$8.0 million and the projected year end cash balance is \$4.9 million. He addressed questions from the Commission.

b. Presentation of the Community District's Monthly Financial Report

Chief Financial Officer Jeremy Vidito presented the monthly financial report and highlighted that DPSCD recorded a deficit of revenues over expenditures of \$1.4 million in the month of June, 2018. He stated that the District's June YTD expenditure versus budget variance was \$5.6 million and June YTD surplus of revenues over expenditures was \$61.3 million. The District is behind plan by \$5.0 million on the June YTD in receipt of budgeted revenues, but this has been offset by the expenditure savings, in purchased service, supplies and textbooks due to unspent Title Funding rolled forward into FY2019.

Mr. Vidito also reported that DPSCD's cash balance for June 30, 2018 was \$159.0 million; July 30, 2018, cash balance was \$160.0 million and the projected year end cash balance for FY 2019 is \$219.1 million. He noted that both cash balances exclude \$43.1 million allocated to internal service and the fiduciary account). He addressed questions from the Commission.

c. Transmittal of the Community District/DPS debt service requirement per MCL 141.1636(11)

Mr. Vidito provided the debt service requirements for DPS and DPSCD for FY 2019, quarter two. He also provided a letter certifying that the amounts listed are accurate statements of DPS' debt service and that DPS is financially able to meet the debt service requirements through the end of the fiscal year. Mr. Vidito also provided a letter indicating that DPSCD has no debt service requirements.

d. Consideration of the Community District's August 2018 contract approval requests per MCL 141.1636 (6) (FRC School District Resolution 2018-21)

Public Act 181 of 2014 requires the Financial Review Commission to review and approve contracts meeting any of the three criteria: 1) the contract exceeds \$750,000; 2) the contract has a term exceeding 2 years; and 3) multiple contracts within a single entity that exceed \$750,000 in aggregate.

Chief Financial Officer, Jeremy Vidito gave a brief overview of the Community District's 2 contract approval requests and addressed questions from the Commission. All contracts have been reviewed by the FRC Advisory Subcommittee on Contracts and Procurement.

Motion made to consider and approve the 2 Community District's August 2018 contract approval requests (FRC School District Resolution 2018-21). Motion moved and supported. The Commission approve School District Resolution 2018-21 as presented.

VI. Public Comment

Helen Moore
Michelle George
William Davis

VII. Next Meeting Date

School District Regular Meeting: September 24, 2018, following the City Meeting, beginning no earlier than 1:05 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202.

VIII. Adjournment

Motion made to adjourn. Motion moved and supported, the Commission approved the motion to adjourn.

There being no further business, the meeting adjourned at 1:45 p.m.

FRC Committee Monthly Meeting
 School District
Resolution Roll Call
 Monday, August 27, 2018

FRC 8/27/2018 Meeting (City of Detroit)	School District Resolution 2018-21 (Consideration of SD August Contracts Request)
	Roll Call
Mr. Burks	Yes
Ms. Fox	Yes
Mr. Khouri	Yes
Ms. Martin	Absent
Mr. Khouri	Yes
Mr. Nicolson	Yes
Ms. Taylor	Absent
Mr. Vitti	Yes
Mr. Walsh	Yes

Signed by: *B. Greaves*
 Beverly C. Greaves- Secretary

Date: 08/27/2018